

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0365-01  
Bill No.: HB 235  
Subject: Licenses - Driver's; Revenue Department; Sunshine Law, Meetings and Records  
Type: Original  
Date: January 26, 2011

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Bill Summary: This proposal prohibits the Department of Revenue from selling or disclosing certain driver record information.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
General Revenue	(Unknown - Expected to exceed \$100,000)	(Unknown - Expected to exceed \$100,000)	(Unknown - Expected to exceed \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Unknown - Expected to exceed \$100,000)</b>	<b>(Unknown - Expected to exceed \$100,000)</b>	<b>(Unknown - Expected to exceed \$100,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of State Courts Administrator** state this proposal will have no fiscal impact on the Courts.

Officials from the **Department of Revenue (DOR)** submitted the following assumptions regarding the fiscal impact of this proposal on their agency:

### Administrative Impact

Officials from DOR assume this proposal prohibits the DOR from disclosing personal and driving history information to all entities, including but not limited to, law enforcement, insurance companies, prosecuting attorneys, courts, government agencies, tow companies, media, as well as any other requestor otherwise permitted under the Driver's Privacy Protection Act (DPPA) to receive information unless the information being requested has been voluntarily disclosed to them by an individual.

The proposal further restricts DOR from releasing motor vehicle and driver license information unless the requestor provides verification of the information that was voluntarily provided to the business entity. As such, all requests must be manually evaluated and produced.

DOR's information systems are not capable of redacting partial driving history information based on the information that was voluntarily disclosed to the business entity, without extensive programming. System modifications will be needed to ensure information is not released via the Problem Driver Pointer System (PDPS), the Commercial Driver License Information System, (CDLIS), the Systematic Alien Verification of Entitlements system (SAVE), law enforcement agencies, as well as the printed driving record used by prosecutors in court. DOR will not be able to respond to inquiries received via written correspondence, telephone, or walk in assistance.

DOR will require an additional unknown number of FTE and related expenses and equipment to comply with the new restrictions of this legislation. Due to the unknown number of requests that will be received and the time it will take to manually evaluate the information that can be released, the administrative impact is unknown. The impact is, however, expected to exceed \$100,000.

### Information Technology - OA-ITSD (DOR)

IT estimates extensive programming at approximately 2,000 hours and after reprogramming, it is

LMD:LR:OD (12/02)

ASSUMPTION (continued)

estimated 672 hours of system testing will be required.

**Oversight** assumes OA-ITSD (DOR) is provided with core funding to handle a certain amount of activity each year. If multiple bills pass which require additional staffing and duties at substantial costs, OA-ITSD (DOR) could request funding through the appropriation process.

Revenue Impact

Federal-aid highway funds are subject to withholding if a state is found to be substantially in noncompliance. The first year of noncompliance the sanction is five (5) percent, the second and subsequent years of noncompliance the sanction is up to ten (10) percent of those funds. Potential federal fund loss could be up to \$65,000,000.

**Oversight** assumes the potential federal fund loss is speculative and for fiscal note purposes only, will not assign a fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE			
Cost - Department of Revenue (DOR)			
Administrative costs	(Unknown - Expected to exceed \$100,000)	(Unknown - Expected to exceed \$100,000)	(Unknown - Expected to exceed \$100,000)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(Unknown - Expected to exceed \$100,000)</u></b>	<b><u>(Unknown - Expected to exceed \$100,000)</u></b>	<b><u>(Unknown - Expected to exceed \$100,000)</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### FISCAL IMPACT - Small Business

Small businesses could see a negative fiscal impact for fee costs to obtain records.

### FISCAL DESCRIPTION

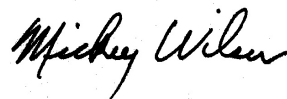
This proposal prohibits the Department of Revenue from selling or disclosing certain driver record information including the information found on a person's driver's license and his or her Social Security number, telephone number, email address, driving record, or any medical or disability information, including restrictions, except as provided by law. DOR may release certain information if allowed under the Federal Driver's Privacy Protection Act to a business to verify information voluntarily provided to the business but must charge a fee to cover only the actual costs necessary to process the request for information. The fee cannot be more than that charged for a similar information request under the Open Meetings and Records Law, commonly known as the Sunshine Law.

Any person alleging the unauthorized release of information may bring a claim against the department in a court of proper jurisdiction for civil damages of up to \$10,000, attorney fees, and injunctive relief.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Office of State Courts Administrator  
Department of Revenue



Mickey Wilson, CPA  
Director

L.R. No. 0365-01  
Bill No. HB 235  
Page 6 of 6  
January 26, 2011

January 26, 2011

LMD:LR:OD (12/02)